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9 Attorneys for Plaintiff Robert White, an individual,  
10 and all others similarly situated

11  
12 UNITED STATES DISTRICT COURT  
13 FOR THE NORTHERN DISTRICT OF CALIFORNIA  
14 SAN FRANCISCO DIVISION  
15

16 ROBERT WHITE, an individual, and all others  
17 similarly situated

18 Plaintiff,

19 v.

20 STRIPE, INC., a Delaware corporation,

21 Defendant.  
22 \_\_\_\_\_  
23  
24  
25  
26  
27  
28

Case No.

**CLASS ACTION**

**JURY TRIAL DEMANDED**

**COMPLAINT FOR UNRUH LAW CIVIL  
RIGHTS VIOLATIONS**

1 Comes now plaintiff Robert White (Bankruptcy Law Firm) on behalf of himself  
2 and all others similarly situated and alleges as follows:

3 **The Parties**

4 1. Bankruptcy Law Firm is an individual with his principal place of business  
5 in San Francisco, California.

6 2. Defendant Stripe, Inc. (Credit Card Company) is a Delaware corporation  
7 registered with the California Secretary of State as a foreign corporation qualified to do  
8 business in the State of California and which has its principal place of business in San  
9 Francisco, California.

10 **Jurisdiction and Venue**

11 3. Jurisdiction is present here based on 28 U.S.C. §§ 1332(d)(2), 1367(a).

12 4. Venue is present here based on 28 U.S.C. § 1391(d).

13 **Charging Allegations**

14 5. Credit Card Company is a business establishment (as that term is  
15 otherwise defined in California Civil Code section 51(b)) within the jurisdiction of the  
16 State of California, which business establishment is engaged in providing  
17 accommodations, advantages, facilities, privileges and/or services (Accommodations) to  
18 other persons and entities within the jurisdiction of the State of California, specifically  
19 including but not limited to citizens of states within the United States other than the states  
20 of California and Delaware, within the jurisdiction of the State of California (Persons) by  
21 way of its, *inter alia*, enabling such Persons to accept electronic payments without  
22 themselves directly opening up a merchant account with any Visa or MasterCard member  
23 bank (Stripe Account). See <https://stripe.com> (Stripe Website) for a fuller description of  
24 the nature of what a Stripe Account consists of.

25 6. As of today, December 28, 2015, Credit Card Company's list of  
26 Prohibited Businesses (Bad List) reads, in pertinent part, as follows:

<b>Financial and professional services</b>	
Investment & credit services	Securities brokers; mortgage consulting or debt reduction services; credit counseling or repair; real estate opportunities; lending instruments
Money and legal services	Money transmitters, check cashing, wire transfers, money orders; currency exchanges or dealers; bail bonds; collections agencies; law firms collecting funds for any purpose other than to pay fees owed to the firm for services provided by the firm (e.g., firms cannot use Stripe to hold client funds, collection or settlement amounts, disputed funds, etc.)
Virtual currency or stored value	Virtual currency that can be monetized, resold, or converted to physical or digital products and services or otherwise exit the virtual world (e.g., Bitcoin); sale of stored value or credits maintained, accepted and issued by anyone other than the seller
<b>IP Infringement, regulated or illegal products and services</b>	
Intellectual property or proprietary rights infringement	Sales, distribution, or access to counterfeit music, movies, software, or other licensed materials without the appropriate authorization from the rights holder; any product or service that directly infringes or facilitates infringement upon the trademark, patent, copyright, trade secrets, or proprietary or privacy rights of any third party; use of Stripe intellectual property without express consent from Stripe; use of the Stripe name or logo including use of Stripe trade or service marks inconsistent with the <a href="#">Stripe Marks Usage Agreement</a> , or in a manner that otherwise harms Stripe or the Stripe brand; any action that implies an untrue endorsement by or affiliation with Stripe
Counterfeit or unauthorized goods	Unauthorized sale or resale of brand name or designer products or services; sale of goods or services that are illegally imported or exported
Gambling	Lotteries; bidding fee auctions; sports forecasting or odds making; fantasy sports leagues with cash prizes; internet gaming; contests; sweepstakes; games of chance
Regulated products and services	Marijuana dispensaries and related businesses; sale of tobacco, e-cigarettes, and e-liquid; online pharmacies; age restricted goods or services; weapons and munitions; gunpowder and other explosives; fireworks and related goods; toxic, flammable, and radioactive materials; products and services with varying legal status on a state-by-state basis
Adult content and services	Pornography and other obscene materials (including literature, imagery and other media); sites offering any sexually-related services such as prostitution, escorts, pay-per view, adult live chat features
<b>Unfair, predatory, or deceptive practices</b>	
Get rich quick schemes	Investment opportunities or other services that promise high rewards
Mug shot publication or pay-to-remove sites	Platforms that facilitate the publication and removal of content (such as mug shots), where the primary purpose of posting such content is to cause or raise concerns of reputational harm
No-value-added services	Sale or resale of a service without added benefit to the buyer; resale of government offerings without authorization or added value; sites that we determine in our sole discretion to be unfair, deceptive, or predatory towards consumers

<b>Products or services that are otherwise prohibited by our financial partners</b>	
1 Aggregation	Engaging in any form of licensed or unlicensed aggregation of funds owed to third parties, factoring, or other activities intended to obfuscate the origin of funds
2 Drug paraphernalia	Any equipment designed for making or using drugs, such as bongs, vaporizers, and hookahs
3 High risk businesses	Bankruptcy lawyers; computer technical support; psychic services; travel reservation services and clubs; airlines; cruises; timeshares; prepaid phone cards, phone services, and cell phones; telemarketing, telecommunications equipment and telephone sales; drop shipping; forwarding brokers; negative response marketing; credit card and identity theft protection; the use of credit to pay for lending services; any businesses that we believe poses elevated financial risk, legal liability, or violates card network or bank policies
4 Multi-level marketing	Pyramid schemes, network marketing, and referral marketing programs
5 Pseudo pharmaceuticals	Pharmaceuticals and other products that make health claims that have not been approved or verified by the applicable local and/or national regulatory body
6 Social media activity	Sale of Twitter followers, Facebook likes, YouTube views, and other forms of social media activity
7 Substances designed to mimic illegal drugs	Sale of a legal substance that provides the same effect as an illegal drug (e.g., salvia, kratom)
8 Video game or virtual world credits	Sale of in-game currency unless the merchant is the operator of the virtual world
9 Use of Stripe in a manner inconsistent with its intended use or as expressly prohibited in the Terms of Service	Use of Stripe principally as a virtual terminal (e.g., submitting card transactions by manually inputting card information); processing where there is no bona fide good or service sold, or donation accepted; card testing; evasion of card network chargeback monitoring programs; sharing cardholder information with another merchant for payment cross-sell product or service

7. Each and every other category of Bad List is either so vaguely described as to be unintelligible or else constitutes an entirely lawful business/business activity under any and all applicable federal and state laws. This specifically includes but is not limited to the business/business activity of Bankruptcy Law Firm, which entity's business establishment sometimes involves representation of creditors in federal bankruptcy proceedings, and which business establishment requires licensure by the State Bar, admission to the Federal Bar of the Ninth Circuit as well as the Federal Bar of the Northern District of California and other federal districts, and which business establishment is otherwise specifically protected from discrimination of the sort being practiced against Bankruptcy Law Firm here by the Unruh Civil Rights Act (Civil Code §§ 51 and 52 [Unruh Law]).

8. In Bankruptcy Law Firm’s particular case, Bankruptcy Law Firm’s principal, Robert White, is a personal friend and business colleague of Jeremy Katz, a member of the State Bar and a partner in shierkatz, RLLP (SK), which SK is a plaintiff in the related case of shierkatz RLLP v. Square, Inc., No. 3:15-cv-02202 JST (N.D. Cal. filed May 15, 2015) (the SK Case).

9. Mr. White read this District Court’s file in the SK Case and thereby became aware of Square, Inc.’s use of a Bad List and, in addition, after first checking to see that Credit Card Company had its own Bad List, he was then dissuaded from seeking to become a Credit Card Company customer given the fact his law practice area is similar to that of SK and, as such, Bankruptcy Law Firm falls within the “High risk businesses” section of Bad List.

### **Class Allegations**

10. Bankruptcy Law Firm brings this action on behalf of himself and all others similarly situated.

11. The class represented by Bankruptcy Law Firm (Class) is comprised of all Persons who have ever had their Accommodations terminated by Credit Card Company based on their violation of Bad List or who have ever been dissuaded from seeking Accommodations from Credit Card Company based on their unwillingness to violate Bad List (Class members). Class specifically includes (but is not limited to) any and all Class members who never sought Accommodations from Credit Card Company as a result of their becoming aware of the existence of Bad List and Bad List’s contents, regardless of how they learned of the existence of Bad List and Bad List’s contents.

12. Class includes Class members who are citizens of states within the United States but who are not, in fact, also citizens of either California or Delaware.

13. Class also includes Class members who have previously agreed to engage in individual binding arbitrations with Credit Card Company, although Bankruptcy Law Firm is not itself such a Class member, since it never agreed to arbitrate anything with Credit Card Company. The facts set forth in this ¶13 do not mean Bankruptcy Law Firm

1 is not a proper lead representative plaintiff or that the Class may not later be properly  
2 certified. See Ehret v. Uber Techs., Inc., 2015 U.S. Dist. LEXIS 161803 \*42 (N.D. Cal.  
3 December 2, 2015) (Chen J.) (holding a class may be certified under Fed. R. Civ. P. 23  
4 even if certain putative class members have previously signed arbitration agreements  
5 and/or releases, citing numerous cases).

6 14. On information and belief, Bankruptcy Law Firm alleges that there are  
7 hundreds of thousands of Class members.

8 15. On information and belief, Bankruptcy Law Firm estimates that Credit  
9 Card Company has or will incur not less than \$1,000,000,000 dollars in minimum  
10 statutory liability to Class during Class Period, as the term Class Period is defined, *infra*,  
11 at ¶16.

12 16. The class period (Class Period) covers Class members who suffered,  
13 suffer or continue to suffer Unruh Law violations between December 29, 2012 (Start  
14 Date) through and including the date the Class is certified (Certification Date).

15 17. Questions of law and fact common to the Class predominate over  
16 questions affecting only individual members, including, *inter alia*: Whether Class  
17 members are entitled to recover not less than their Unruh Law minimum statutory  
18 damages of \$4,000 for each violation of Unruh Law suffered by Class members in the  
19 Class Period.

20 18. The claims of Bankruptcy Law Firm are typical of the claims of the Class  
21 members as described above.

22 19. Treating this dispute as a class action is a superior method of adjudication  
23 since the joinder of all possible absent Class members would be impractical.

24 20. Additionally, the amount of each restitutionary payment would be modest  
25 on an individual basis, although significant in the aggregate. It would be difficult if not  
26 impracticable for most of Class members to address the Credit Card Company's  
27 wrongdoings individually. There should be no significant difficulties in managing this  
28 case as a class action.

21. Bankruptcy Law Firm can and will fairly and adequately represent and protect the interests of Class members. Bankruptcy Law Firm has retained competent and experienced counsel, who will vigorously represent the interests of the Class.

**Sole Claim for Relief**

**(Minimum Statutory Damages [Violation of Unruh Law])**

22. Bankruptcy Law Firm realleges ¶¶ 1–21.

23. Credit Card Company’s maintenance of Bad List was, is, and continues to be a violation of Unruh Law entitling (i) Bankruptcy Law Firm to not less than \$4,000 in minimum statutory damages per offense occurring during the Class Period and (ii) the Class to its own \$4,000 per Class member in minimum statutory damages per offense occurring during the Class Period.

WHEREFORE, Bankruptcy Law Firm and Class pray judgment as follows:

1. That Class described herein be certified; that Bankruptcy Law Firm be designated lead representative plaintiff and that Bankruptcy Law Firm’s counsel be appointed Class counsel;

2. That the Bankruptcy Law Firm and Class be awarded statutory damages in an amount to be proven at trial pursuant to Unruh Law.

3. For an award of attorney fees and costs, including but not limited to statutory attorney fees and costs;

4. For such other and further relief as to the Court may seem just and proper.

Dated: December 29, 2015

McGRANE LLP  
BERLINER COHEN

By: /s/ William McGrane  
William McGrane

Attorneys for Plaintiff Robert White, an individual, and  
all others similarly situated

**DEMAND FOR JURY TRIAL**

Bankruptcy Law Firm and the Class hereby demand a trial by jury.

Dated: December 29, 2015

McGRANE LLP  
BERLINER COHEN LLP

By: /s/ William McGrane  
William McGrane

Attorneys for Plaintiff Robert White, an individual, and  
all others similarly situated